

NORTH CAROLINA PORTS

WILMINGTON

MOREHEAD CITY

Joint Legislative Economic Development and Global Development Oversight Committee

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Interim CEO

March 1, 2012



We're more than ports.

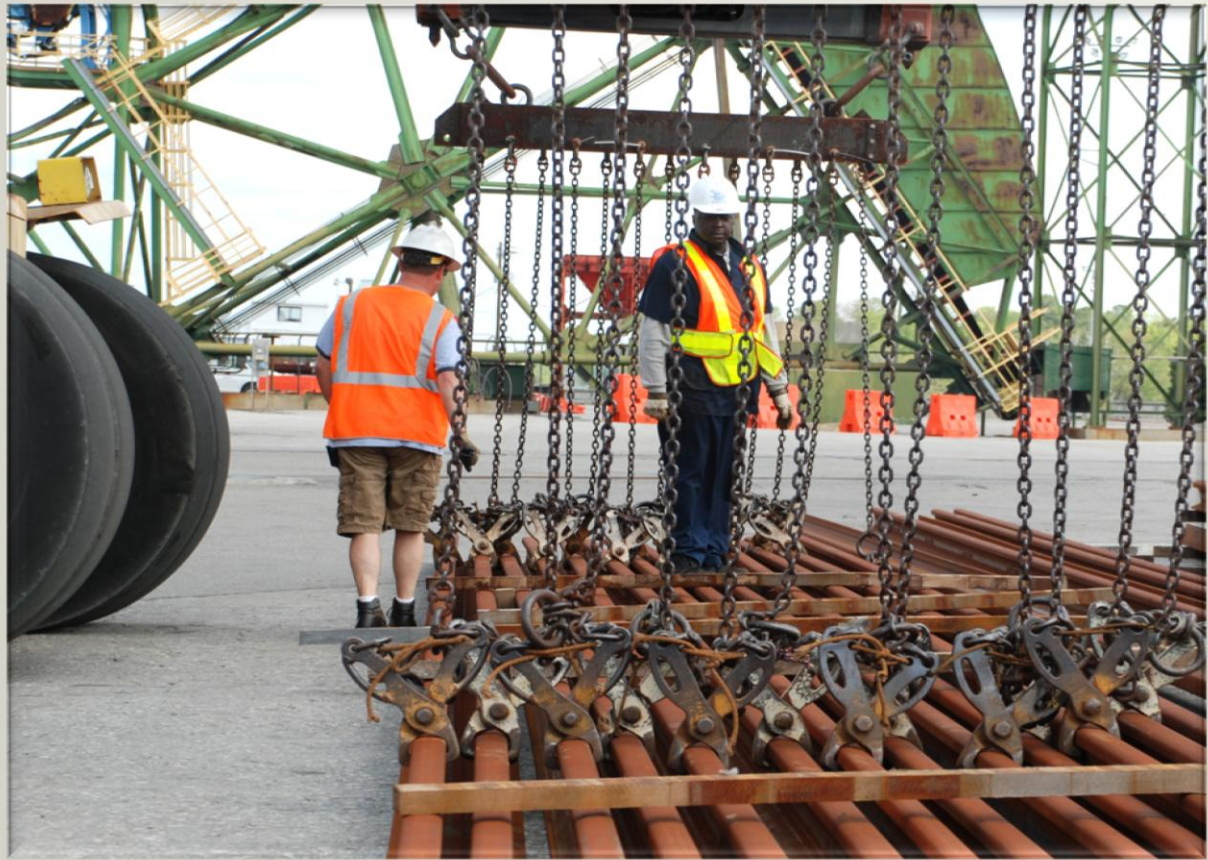
We're your *partners.*

- Created in 1945 to generate economic benefits for North Carolina by enabling maritime-dependent commerce and industry
- Promotes, markets and sells port services
- Generates earnings that more than cover day-to-day operating expenses
- Supports more than 65,000 jobs statewide and generates more than \$500 million in state and local tax revenue

A highly skilled, professional workforce

The NCSPA workforce:

- Operates terminals
- Provides security and police protection
- Provides professional engineering
- Manages finances
- Manages back-office administration, HR and IT



NORTH
CAROLINA
PORTS

These aren't just any ports,
these are *your* ports.



Port of Wilmington



Port of Morehead City

The Port of Morehead City

- One of the deepest ports on the east coast
- Four miles from the ocean
- Nine berths
- 128 acres
- Nearly one million square feet of warehousing
- Second largest US port for the import of natural rubber
- Handles both breakbulk and bulk cargo



The Port of Wilmington



- 284 acres
- Located on the Cape Fear River 26 miles from the ocean
- Nine Berths at 42' ft authorized depth
- 500,000 TEU annual thruput capacity
- Nearly 1.2million square feet of warehousing
- Accepts containers, bulk and breakbulk cargo
- Recognized in the industry for fast, efficient vessel/truck turnarounds as well as crane and gate productivity

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	MOREHEAD	WILMINGTON
Ocean Bar Depth:	47' MLLW	44' MLLW
Channel Depth:	45' MLLW	42' MLLW
Turning Basin Depth:	35'/45' MLLW	42' MLLW
Depth at Berths:	35'/45' MLLW	42' MLLW



Anytime Transit:	42' vessel draft	38' vessel draft
Maximum Arrival Draft:	42' vessel draft	42' vessel draft
Maximum Sailing Draft:	42' vessel draft	40' vessel draft

**NORTH
CAROLINA
PORTS**

Our TransPacific services

K "K" LINE
KAWASAKI KISEN KAISHA, LTD. ®

YANG MING LINE

HANJIN **OSCO**

NATCO 3 (AWE-1) North Loop Asia/ USEC

Depart New York Saturday
New York
Wilmington
Savannah

Qingdao
Shanghai
Ningbo
Pusan

— Westbound
— Eastbound
— Westbound and Eastbound

Transit Times

	Eastbound to			Westbound from	
	New York	Savannah		New York	Savannah
Qingdao	28 days	32 days	Pusan	30 days	26 days
Ningbo	26 days	30 days	Qingdao	33 days	39 days
Shanghai	25 days	29 days	Ningbo	35 days	31 days
Pusan	23 days	27 days	Shanghai	36 days	32 days

NATCO 2 (AWE-3) Asia / USEC

Wilmington
Charleston
Savannah
Depart Savannah Thursday

Shanghai
Yantian
Hong Kong
Pusan
Kaohsiung

— Westbound
— Eastbound
— Westbound and Eastbound

Transit Times			
EB to Savannah		WB from Wilmington	
Hong Kong	25 days	Hong Kong	25 days
Yantian	25 days	Yantian	26 days
Kaohsiung	24 days	Kaohsiung	27 days
Shanghai	22 days		
Pusan	20 days		

NORTH CAROLINA PORTS

Our European and Central American services



Helping our customers compete and succeed in the global economy



Woodpulp — International Paper



Scrap steel — Nucor



*Rubber — Goodyear,
Bridgestone, etc.*

*North Carolina's
businesses depend on
North Carolina's ports*

Today's competitive environment

- Primary Competitors: VPA, SCSPA GPA
- Competitive advantages include proximity to market demand, road and rail infrastructure, available capacity, low port costs, available carrier services, special handling capabilities and ease of doing business
- Industry is volatile, liner companies are experiencing financial pressures
- Pricing of port services is under pressure - costs are poised to rise and some cargo segments are at risk of decline over the next half-decade



**We're more than an agriculture port.
We're partners in the agricultural
industry.**

The Port of Morehead City

- 91% of export tonnage handled was an agribusiness essential: fertilizer
- 42% of import tonnage was agribusiness related: fertilizers, veneers, plywood, logs, lumber, and boards

The Port of Wilmington

- 63% of total export tonnage handled was agribusiness related: woodpulp, logs, lumber, cotton, paper and paperboard, meat and poultry, and tobacco
- 23% of total import tonnage was agribusiness related: fertilizers, grains and animal feeds, lumber, and cotton

Containerized agriculture goods, FY 11

Commodity	Tonnage
Forest Products	432,425
Wood Pulp	141,931
Meat and Poultry (fresh/frozen)	131,439
Textile Products	78,327
Pet and Animal Feeds	62,168
Tobacco	10,915



Agriculture commodities

Breakbulk general terminal operations – FY11

Commodity	Tonnage
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Woodpulp	171,166
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Forest Products	30,995
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Fertilizer	56,622
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Agriculture commodities

Private operations - FY11

Commodity	Tonnage
PCS Phosphate	1,397,717
PCS Sulphur	165,596
Fertilizer	113,214
UAN	52,930
Grain	54,977



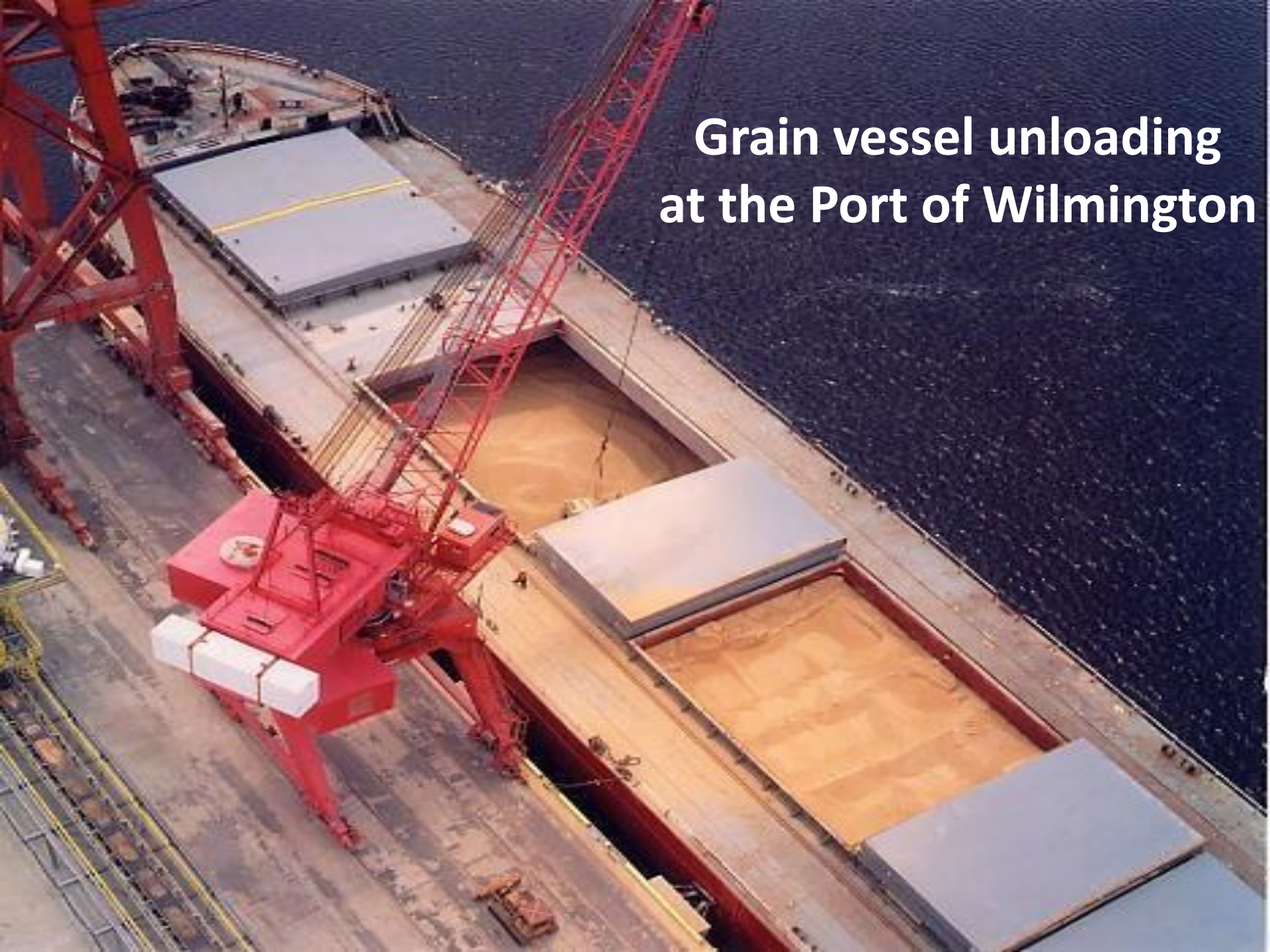
Woodchip operations in full production at the Port of Morehead City



Woodchip operations in full production at the Port of Wilmington

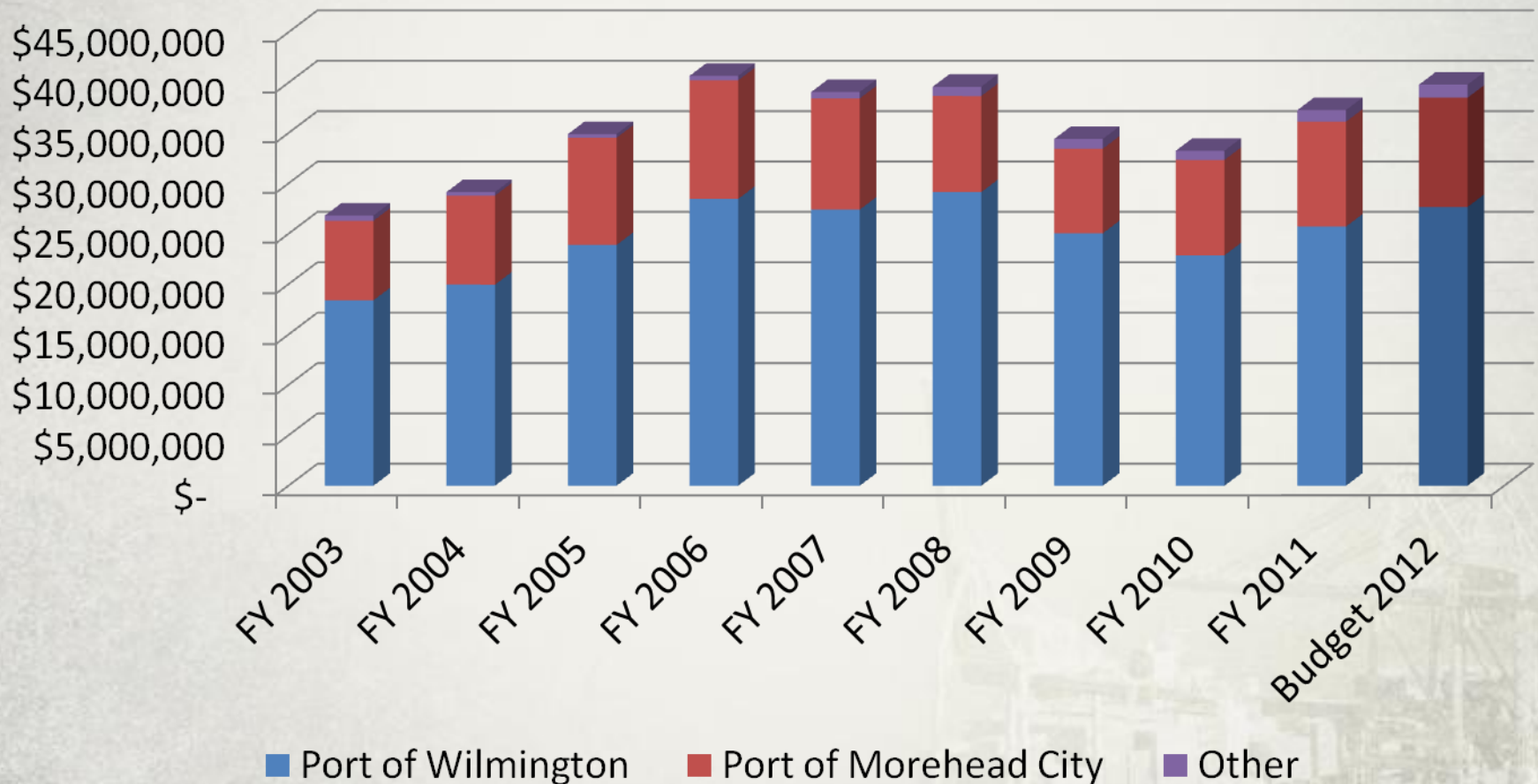


Grain vessel unloading at the Port of Wilmington





Operating Revenues by Terminal

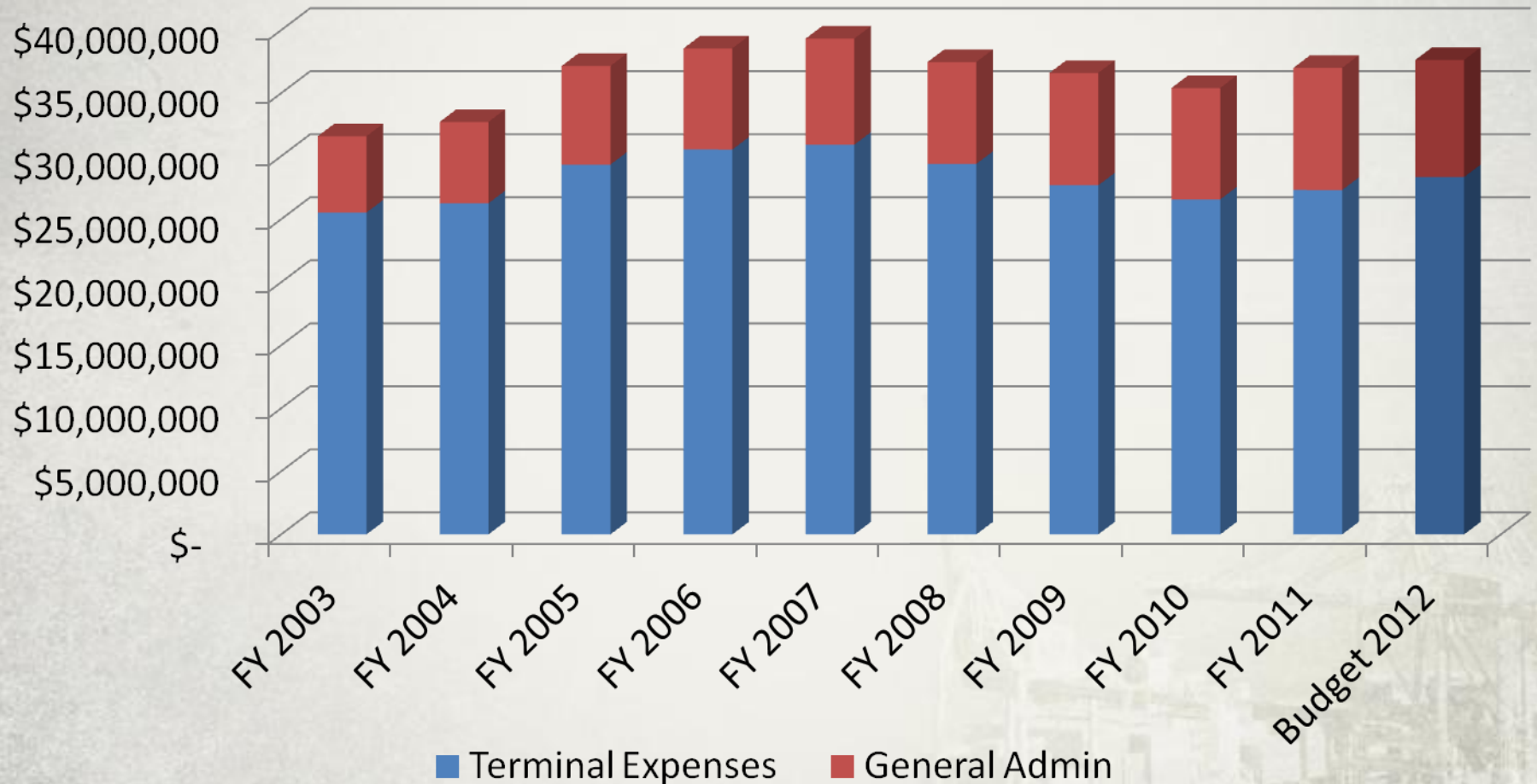


* Port of Wilmington includes inland terminals

* Other includes Southport Marina and Ports Railway

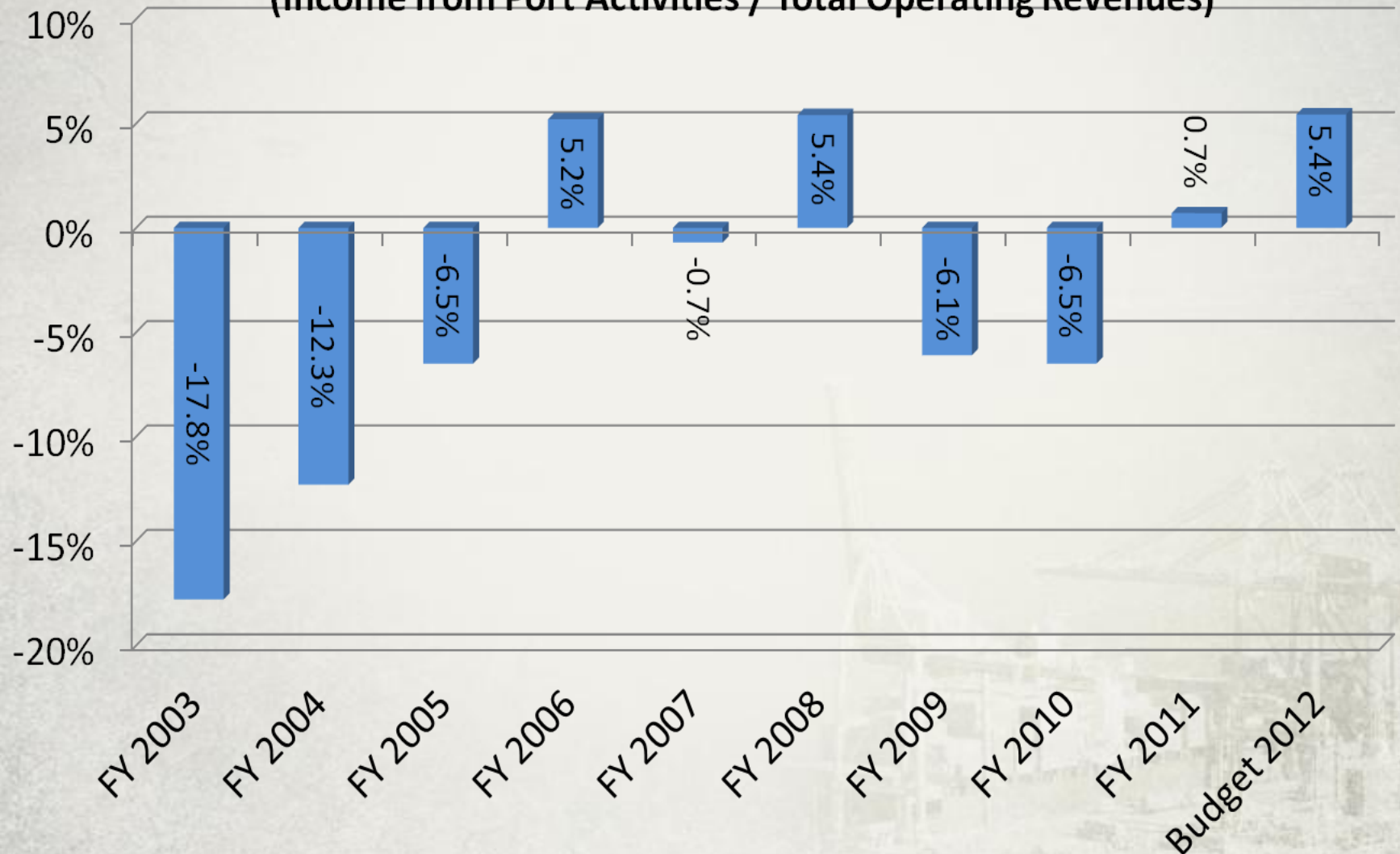


Terminal Expenses & General Admin



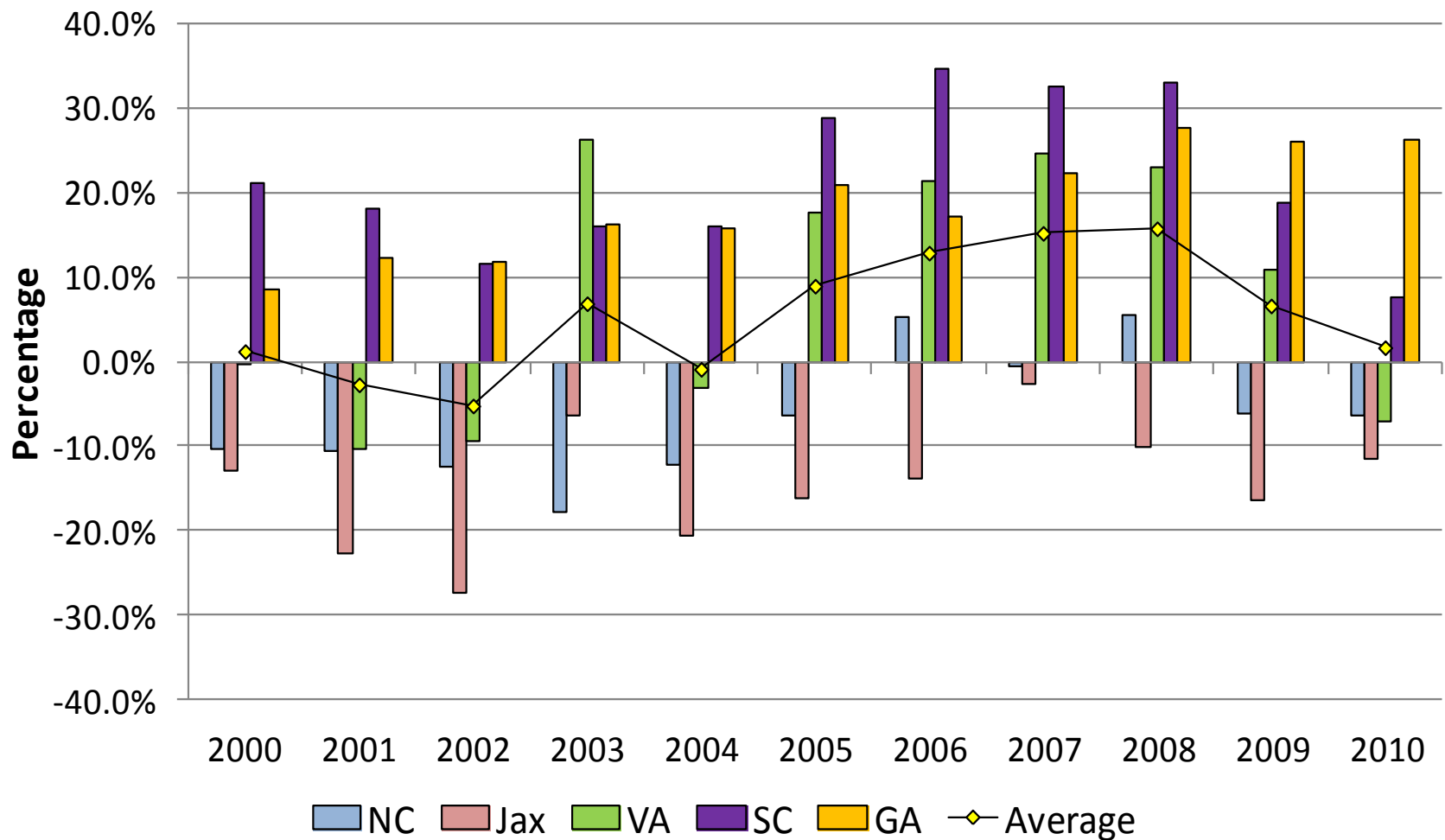
Ports Activity Margins

(Income from Port Activities / Total Operating Revenues)



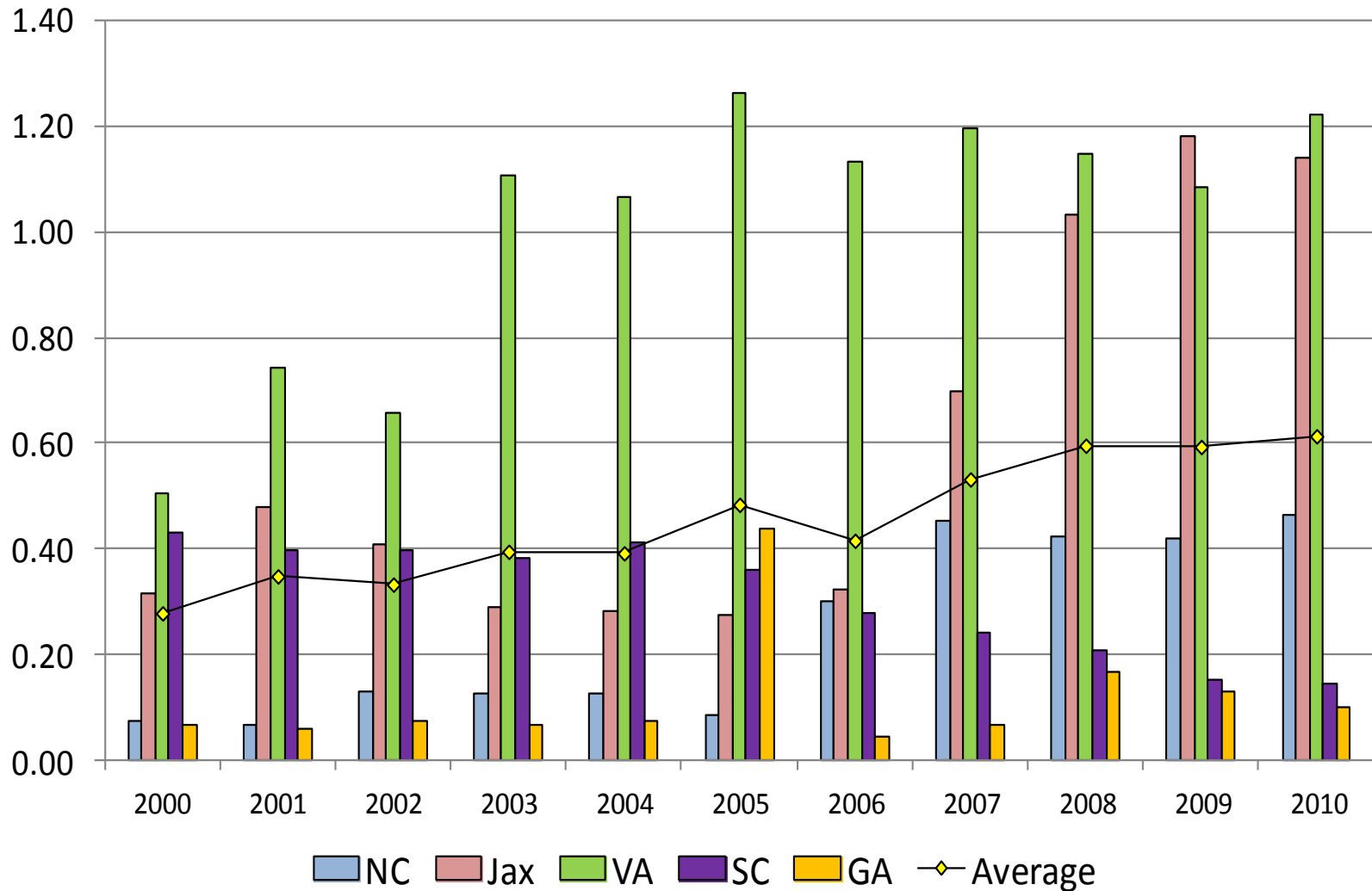


Southeast Coast Ports Operating Margin Ratios 2000 - 2010





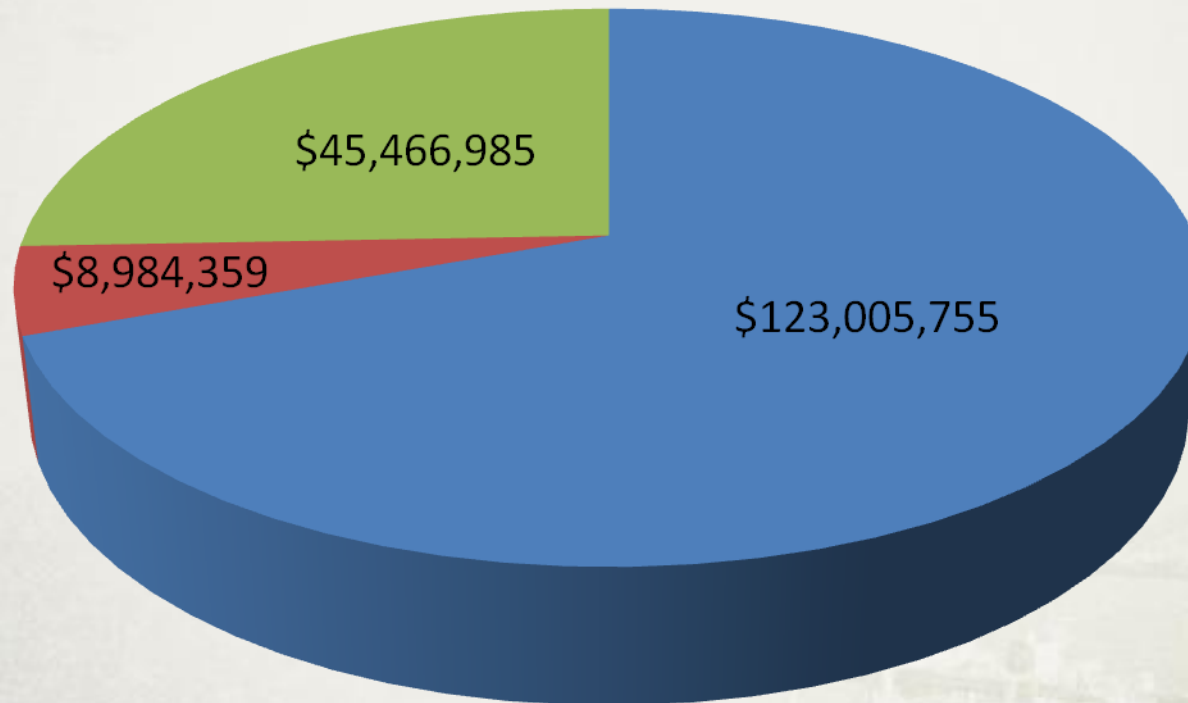
Southeast Coast Ports Debt to Equity Ratios 2000 - 2010





Ports funding of fixed assets

Fixed Asset Funding FY02-FY11



■ Port Revenue Funded

■ Federal Funding Received

■ State Funding Received

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Thank You

*For more information visit
www.ncports.com*